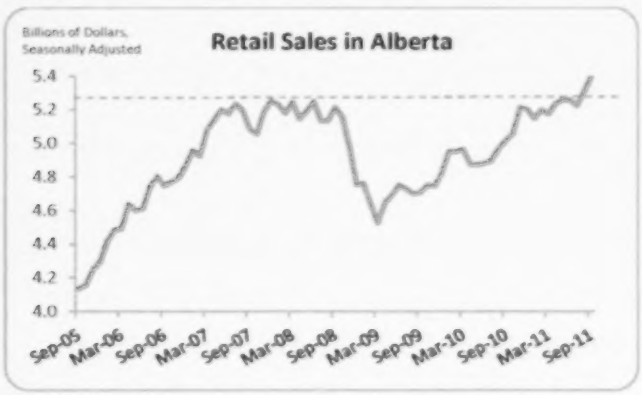
Retail Trade

Albertans continue their shopping spree ...

Alberta consumers are spending at record levels, aided by rising incomes and strong job gains. In September, retail sales leaped by 1.6%, far outpacing the national increase of 1.0% and building on August's identical 1.6% gain. September marked the second straight month that retail sales have exceeded their pre-recession peaks. On a year over basis, Alberta's retail sales were up a solid 7.5%, well ahead of the national gain of 4.2%. Among the major components, the auto industry had the largest contribution to year-over-year growth, demonstrating that Albertans still have enough confidence to buy big-ticket items.



Average Weekly Earnings

Alberta's wage growth takes a pause...

Alberta's wages declined slightly in September, but remain well above last year's levels. Average weekly earnings in Alberta edged down by 0.1% in September, yet are still up 3.8% when compared to September 2010. Albertans continue to have the highest earnings in the country by a wide margin at $1,042.77, almost 20% above the national average of $875.75.

Canadian Corporate Profits

Profits narrow in the third quarter....

Profits at Canadian corporations were down for the second straight quarter. Operating profits edged lower by 0.5% to $64.0 billion in the third quarter. However, the financial sector was responsible for the overall decline, as 14 of 22 industries reported increases. Despite last quarter's decline, corporate profits have rebounded strongly from recessionary lows and are up by 9.1% year over year.

-2.1%	**Canadian Dollar (US¢/C$)**	
	November 25, 2011	95.36
	November 18, 2011	97.45
	2011-12 Fiscal YTD Average	101.55
-0.4%	**WTI Oil US$/bbl**	
	November 25, 2011	$97.30
	November 18, 2011	$97.67
	2011-12 Fiscal YTD Average	$94.79
+4.8	**Nymex Natural Gas US$/MMBtu***	
	Near-month Contract	
	November 25, 2011	$3.48
	November 18, 2011	$3.32
	2011-12 Fiscal YTD Average	$4.08

**Based on the closing price of the near month contract*

Wholesale Trade

New record in wholesale trade ...

Alberta wholesalers continue to increase their purchases. Wholesale trade in Alberta jumped 2.0% in September to the highest value on record ($6.1 billion) and grew at a faster rate than the national average (+0.3%).

Productivity

Alberta productivity bounces back...

Labour productivity in Alberta rose for the first time since 2006. The 2.9% increase in 2010 was in large part due to productivity gains in finance, manufacturing, transportation, warehousing, and wholesale trade. Alberta's growth ranked fourth highest among the provinces and came in ahead of the national 1.9% gain. Labour productivity, which measures the amount of output produced per hour worked, is a long-term determinant of living standards.

International

Global uncertainty continues to cloud global economic outlook ...

Global markets fell this week amid ongoing Eurozone concerns, and political deadlock in Washington. Germany failed to find buyers for nearly half of their $6 Billion Euro bond offering, while Italian interest rates continued to rise to what many consider unsustainable levels. The AAA credit rating for France may be in danger, while Belgium and Portugal were downgraded this week. Adding to this was the failure of the U.S. Joint Select Committee on Deficit Reduction to deliver proposals to reduce the fiscal deficit by 1.2 trillion. Amid all the uncertainty, investors flocked to the safety of the US dollar, and away from the risk of equity markets.

Current Economic Indicators

	2009	2010	2011YTD*	May	June	July	Aug	Sep	Oct
Population									
Population [1] (000's) (level)	3,672	3,721	3,779	--	--	3,779	--	--	--
% change	2.2	1.3	1.6	--	--	1.6	--	--	--
Net Interprovincial Migraton [1] (level)	13,184	-2,183	13,660	--	--	4,720	--	--	--
Net International Migration [1] (level)	16,835	21,533	22,081	--	--	7,080	--	--	--
Net Non-permanent Residents [1] (level)	19,162	-77	-7,988	--	--	1,233	--	--	--
Labour Market									
Employment (000's)	2,025	2,017	2,086	2,069	2,091	2,103	2,110	2,118	2,126
% change	-1.3	-0.4	3.5	2.8	3.5	3.8	4.2	4.8	4.3
Unemployment Rate (%)	6.6	6.5	5.6	5.4	5.6	5.5	5.6	5.4	5.1
Participation Rate (%)	74.3	72.9	73.6	72.9	73.7	73.9	74.1	74.2	74.1
Average Weekly Earnings ($) NEW!	950.01	993.13	1,034.20	1,035.77	1,038.46	1,026.42	1,044.26	1,042.77	--
% change	2.8	4.5	4.6	4.8	4.7	2.6	4.3	3.8	--
Price Indices									
Consumer Price Index	-0.1	1.0	2.2	2.8	2.1	1.9	2.9	2.8	3.4
Excluding food and energy	1.4	0.8	0.7	0.8	0.2	0.4	0.8	1.4	1.1
Non-Res. Building Cons. Price Index [2]	-9.8	-0.1	3.1	--	--	--	--	--	--
Farm Product Price Index	-10.6	-3.9	16.7	12.8	15.9	14.7	10.7	--	--
Crops	-18.9	-14.5	19.0	23.6	22.4	20.2	9.2	--	--
Livestock	-2.8	5.7	16.6	10.9	13.4	13.2	14.2	--	--
Household Sector									
Housing Starts (SAAR, 000's)	20.0	27.1	24.7	25.2	23.7	25.6	31.2	24.6	31.6
% change	-31.6	33.5	-11.9	-14.9	-11.6	-12.6	32.8	-10.9	22.0
New Housing Price Index	-9.0	0.5	0.3	0.3	0.3	0.1	0.2	0.0	--
Edmonton	-11.2	-0.8	0.8	0.7	1.2	1.1	0.9	-0.5	--
Calgary	-6.7	1.7	-0.1	0.0	-0.3	-0.8	-0.5	0.6	--
MLS Average Resale Prices ($ 000's)	340.5	350.9	355.2	351.7	351.7	353.6	356.9	362.4	358.1
% change	-3.1	3.1	0.7	-2.4	-1.3	0.4	2.4	2	2.9
Edmonton	319.1	326.5	324.8	322.7	322.6	326.1	325.5	332.5	326.9
% change	-3.5	2.3	-1.4	-3.0	-1.8	0.0	-1.3	1.5	0.6
Calgary	384.3	397.4	402.2	403.7	399.3	399.2	405.7	408.5	402.6
% change	-4.2	3.4	0.8	-1.3	-2.3	-0.9	3.6	-0.4	1.6
Retail Sales NEW!	-8.3	6.0	6.4	8.0	7.8	6.6	6.8	7.5	--
New Motor Vehicle Sales	-21.7	9.3	7.4	6.9	17	6.7	5.1	4.3	--
Consumer Bankruptcies	9,986	8,150	4,929	617	649	534	595	--	--
% change	64.6	-18.4	-10.9	-8.2	-16.6	-14.7	-3.3	--	--
Business Sector									
Rigs Drilling	128	207	276	84	150	240	323	346	335
% change	-45.6	61.3	42.2	50.4	26.9	20.8	45.4	95.5	28.7
Goods Exports (customs based)	-36.6	12.4	14.4	14.6	12.8	16.4	27.1	27.4	--
Energy	-40.2	17.2	14.9	17.7	11.9	19.2	28.8	27.6	--
Agriculture	-12.3	-14.4	5.9	3.8	-0.2	8.3	7.2	28.7	--
Total Farm Cash Receipts (quarterly) NEW!	-8.0	-3.9	15.4	--	--	15.0	--	--	--
Manufacturing Shipments	-23.7	11.0	17.5	16.7	16.4	17.0	18.3	22.4	--
Wholesale Trade NEW!	-15.9	10.8	14.2	17.2	18.3	15.7	13.8	12.1	--
Building Permits	-14.2	2.1	6.8	11.7	-14.9	17.4	39.4	28.2	--
Residential	-11.8	24.7	-2.4	-10.2	-3.6	9.5	29.0	33.4	--
Non-residential	-16.3	-19.0	20.2	51.9	-26.1	30.3	53.0	21.3	--
Business Bankruptcies	405	378	174	22	16	15	26	--	--
% change	-9.4	-6.7	-32.3	-37.1	-30.4	-44.4	-13.3	--	--

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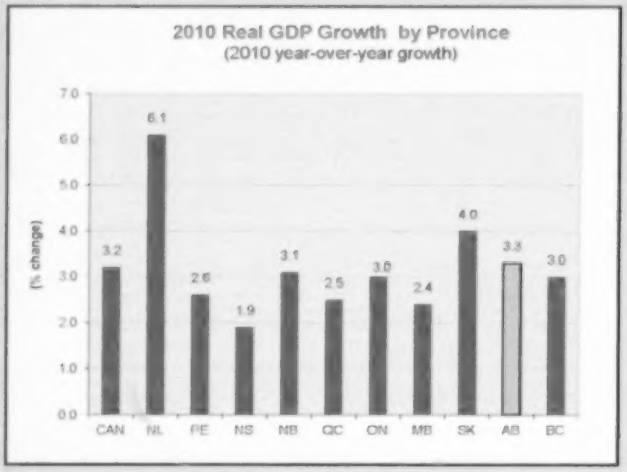
* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

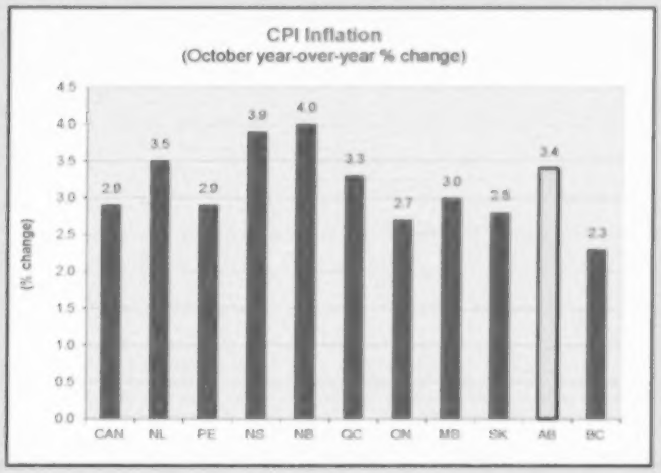
[1] Quarterly; annual numbers are presented on a census year basis (July 1–June 30).

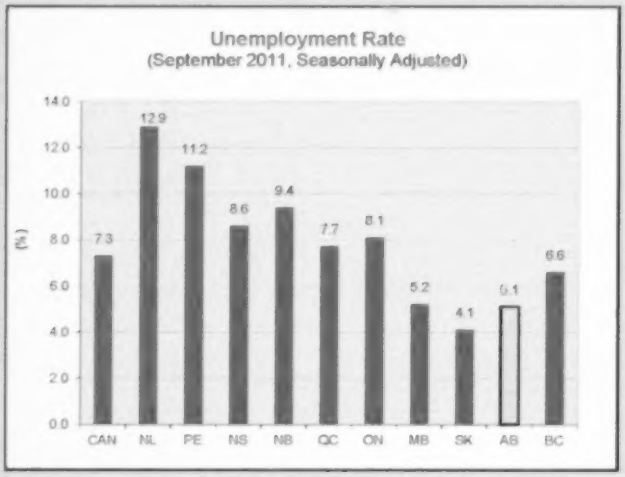
[2] Quarterly, average of Calgary and Edmonton

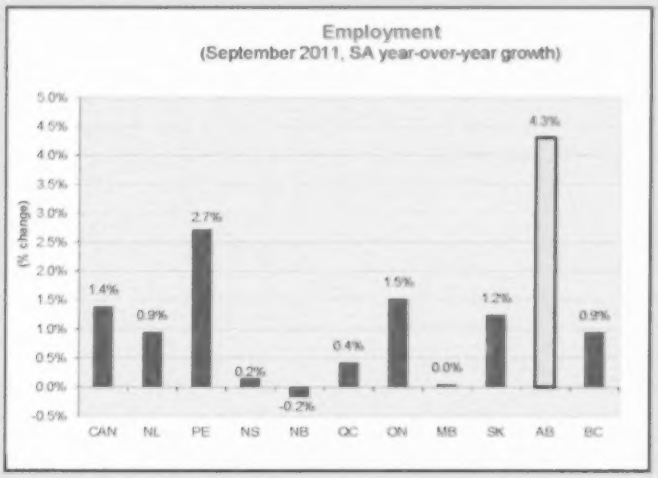
Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

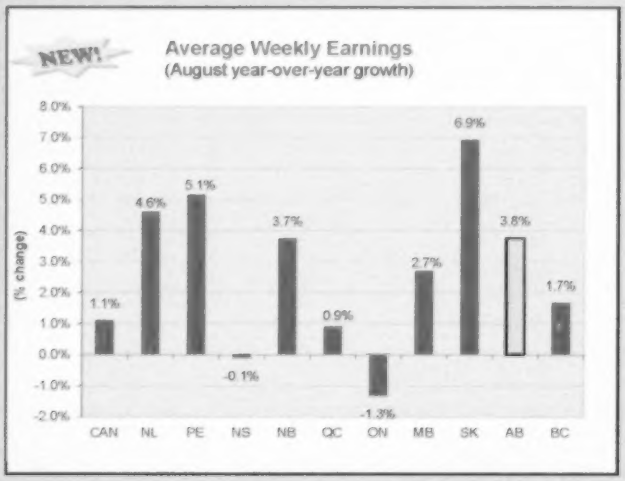
Current Economic Indicators by Province

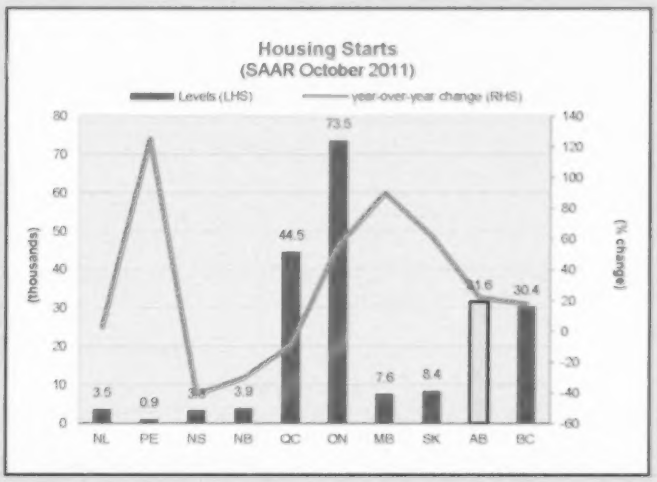












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